

Senator DASCHLE, I realize, doesn't need me to defend himself to the people of South Dakota. They are smart enough to see through this despicable outsider campaign. They know he stands with South Dakota and her farmers. They know he stands with South Dakota and its small businesses. They know he stands with South Dakota on health care, education and responsible economic policy. He has given a lifetime of service to his community.

I only wish the Daschle-bashers would remember that the President promised to change the tone in Washington. Unfortunately, he has. It has gone from bad to worse.

It is worth noting that a number of the people involved in this campaign have their own problems with previous campaigns and finance reform, and by some of the people with whom they have associated. I think this latest effort is no less distasteful.

I thank the Chair for taking into consideration what I hope will be an attempt to turn to the real political debate on real issues and leave the character and some of the efforts we have seen to undermine the true nature of how people try to compete in the political arena.

I thank the Chair.

Ms. STABENOW. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. ALLEN). Without objection, it is so ordered.

Ms. STABENOW. Mr. President, I ask unanimous consent to speak as in morning business.

The PRESIDING OFFICER. The Senate is in morning business. The Senator from Michigan may proceed.

MEDICARE

Ms. STABENOW. Mr. President, I rise today to talk about recent remarks made by the Director of the CMS, Mr. Tom Scully. Last month, speaking to an audience of health care providers in Lancaster, PA, Mr. Scully made the following comments on the Medicare Program.

Mr. Scully has the agency that oversees the Medicare Program, so this is particularly disconcerting given the way he described the Medicare Program. He used the phrase "an unbelievable disaster." The person who is the administrator of the Centers for Medicare and Medicaid Services said: Medicare is an unbelievable disaster. We think it is a dumb system.

I could not disagree more. While I disagree with his views, at least I admire his candor because when it comes to Medicare, a lot of people are pretending to strengthen it and improve it when in fact they agree with Mr. Scully.

Medicare, along with Social Security, is a great American success story. Medicare has been in place since 1965. It is the only part of our health care

system that is a universal system, meaning that once a person is age 65, they have access to health care. Regardless of who they are in this country or if they are disabled, they have access to health care. This is the only part of our system, the only group of people, who know that there is a guarantee of health care for them; that is, those who are under Medicare.

We have almost 40 million people now under Medicare, and because of Social Security and Medicare, we have brought millions of seniors and the disabled out of poverty into a better quality of life. I call that a great American success story. I do not call it a "dumb system."

It is important to talk about what is happening right now in the debate about Medicare and where we are. The day after the State of the Union Address this year, President Bush went to Grand Rapids, MI. We always welcome a President of the United States to my home State. He came to promote his Medicare reform plan. However, he barely mentioned it during his speech. When he did mention it, he indicated that only those who choose to go into private Medicare plans—not Medicare as we know it but private sector plans—would be allowed to get prescription drug coverage. Those who could not get into a private plan or who wanted to stay in traditional Medicare to see their own doctor, would be, unfortunately, out of luck under this plan.

So we have a system that has been in place and has worked for seniors and the disabled since 1965, providing health care. Now we are hearing about proposals which say that if someone wants to get help for prescription drugs, they have to go back to the system the way it was before, they have to go back to private insurance plans.

When the President said that, Republicans, Democrats, and health care providers roundly criticized this particular plan. Many pointed to the fact that private sector Medicare plans are currently not a viable option in most of the country. They are just not there, let alone in rural areas.

In fact, the President, ironically, went to Grand Rapids, MI, to talk about the virtue of private Medicare plans when even in the area where he was, in western Michigan, there are no private sector plans. So everyone listening to him would not have access to help pay for their prescription drugs under the proposal that was made because the proposal that was made was based on something called Medicare+Choice, which has been a failure in Michigan as well as across the country.

The overall experience of the private sector plan, in fact, is that it has not worked. I will share the numbers. Nationwide, 2.5 million seniors have been dropped from private sector HMOs under Medicare+Choice plans. In fact, I have to say my mother was one of them in an HMO. She was having a

good experience in a Medicare HMO, and they dropped Medicare. Out of the blue, she had to go look for another insurance plan and other doctors because they pulled out.

In Michigan, 35,000 seniors have been dropped from these private plans, including, as I said, my own mother. Currently, only four Medicare+Choice plans operate in my State. They are available to only 2 percent of the population of my State, and they are all in the eastern part of the State none in the central part of the State, in Lansing where I live, none in west Michigan, in Grand Rapids, none in upstate Michigan or the Upper Peninsula only in one geographic area.

Given this fact and the fact that Democrats, Republicans, and many other people stood up and said, wait a minute, this is a plan that does not make any sense, after a great deal of discussion the Bush administration did release a new set of principles for adding prescription drugs to Medicare. This time, their plan allows those who remain in traditional Medicare to get only a minimal catastrophic coverage and possibly a discount card.

We understand from analysis it would be an average of a little over \$3 that would come off a prescription based on a discount card. However, if the senior citizen wanted real prescription drug help, really wanted to be able to pick between food and their medicine, they would have to, again, abandon traditional Medicare and possibly give up seeing their own doctor in order to go into a private plan.

In all sincerity, I believe this drive to privatize Medicare is simply wrong. Since its inception in 1965, the Medicare system has worked well for seniors. In fact, back then 29 percent of the seniors of our country lived in poverty and now it is 11 percent. I call that a success, although we still need to be worried about the 11 percent.

I agree that Medicare should be updated. I agree it should be modernized to cover prescription drugs and also focus more on prevention. We heard Secretary Thompson who came before the Budget Committee to talk about prevention. I agree with him. We need to change the system to be more focused on prevention. We need to update Medicare to cover prescription drugs. But seniors should not be forced into private sector HMOs or other plans to obtain this kind of coverage.

Mr. Scully was honest about his beliefs. He spoke his mind. He expressed the belief of many that Medicare is dumb and is a disaster. These quotes are similar to those that were spoken by then-House Speaker Newt Gingrich when he said he wanted to let Medicare wither on the vine. These comments have been made before. It is very clear to me that Mr. Scully, Mr. Gingrich, and many others want to replace Medicare with a private sector system. I urge my colleagues to stand up against this assault.

I am particularly concerned about what is happening and how it relates to

the tax plans that are in front of us, and what is happening now in the economy. As a member of the Budget Committee, when many of us bring up concerns about falling further into deficit through the tax plans that were passed last year giving tax cuts to the elite, another round that is being proposed this year, and we see that we have 450 economists across the country, including 10 Nobel laureates who say this will not create jobs, it will just add to weakening in the economy and, in fact, be devastating because of the red ink it will create—when we see that, when we ask, how can you possibly support this when the first big round of baby boomers are coming very soon, in the next 6 to 8 years, how do we do both?

How in the world can we afford to place ourselves in such jeopardy, trillions of dollars in debt, the result of a policy that says tax cuts should be given to the elite, while building up national debt. How can we afford that?

I am told by colleagues, you assume Medicare and Social Security will be there as you know it now. I do assume Medicare and Social Security will be there as we know it now. When I look at the numbers, I am deeply concerned. The Center of Budget and Policy Priorities released a report recently that basically said if we just took the tax cuts for the elite passed in 2001 and made those permanent and carried that out, it would cost about \$10 trillion—if we carried that out the way we usually estimate Social Security and Medicare; over 75 years, \$10 trillion in costs for that tax policy.

What is the combined Medicare and Social Security deficit projected during the same time? The \$10 trillion that we are putting into place if that passes in the House and the Senate and is signed by the President. We will voluntarily be setting ourselves on a course to \$10 trillion in debt right when we know Medicare and Social Security will need \$10 trillion.

If you add to that the current debates about adding to that with the new policies that have been proposed, we end up between \$12 trillion and \$14 trillion in costs exactly at the same time we have a need for \$10 trillion in Medicare and Social Security.

This is a conscious choice. For those who vote for the plan proposed by the President, you are putting in place great jeopardy to Social Security and Medicare. It is a conscious choice. I have to assume it comes based on what Mr. Skully was talking about, that people believe Medicare is a dumb system, an unbelievable disaster.

Medicare and Social Security are great American success stories. We need a short-term plan for jobs, opportunity, and prosperity, and that is what we are proposing. That really creates jobs. We can give tax cuts responsibly for taxpayers and small businesses and help States without jeopardizing Medicare and Social Security.

I am deeply concerned about this and urge colleagues to take another look at

what is proposed in the Senate and work together.

The PRESIDING OFFICER. The Senator from the Commonwealth of Kentucky.

ENERGY

Mr. BUNNING. Mr. President, I rise today to talk about the energy bill and need for a comprehensive energy policy.

Although we were unable to pass an energy bill in the 107th Congress, I am hopeful that in this Congress we will be able to get a good bill through the Senate, out of conference, and onto the President's desk.

We have had a department of energy for over 20 years. But we've never had a sound national energy policy.

Now is the time for Congress to get serious about addressing our energy supply and needs.

In order to make progress on the energy bill we need to figure out how to increase production while also doing more to encourage conservation.

In the past I think Congress has failed to make progress on energy policy because we have tried to make a choice between the two.

I hope most of us understand that a sensible energy policy must strike a balanced approach that includes a boost in domestic energy production as well as a promotion of conservation and smarter energy use.

The energy bill before us, under Chairman DOMENICI's leadership takes good steps towards striking this balance.

I look forward to the tax provisions coming from the finance committee that will further promote conservation and energy efficiency by encouraging the use of cleaner burning fuels.

As a member of both the energy committee and finance committee, I am pleased to have had the opportunity to help craft the bill before the Senate.

In the wake of September 11 and ongoing problems in the middle east, it is more and more obvious a sound energy policy is a crucial part of our national security.

We must have reliable sources of energy and we must cut our reliance on foreign oil.

Increasing our domestic production is critical in reducing our foreign dependence.

Right now we depend upon foreign nations—including the middle east—for nearly 60 percent of our Nation's oil supply.

Americans have experienced some difficult times recently when oil and gas prices shot up. They are starting to edge back down now. But during the winter and early spring consumers saw prices go up and up.

We all saw the rise in gas prices this winter and the crimp it put on the economy.

We are struggling to get out of a recession now, and while passing an energy bill might not help us in the short

term, it could make a difference the next time we hit an economic downturn or things flare up in the middle east.

The need to increase our own production of energy has never been more important than now.

While we appear to be moving away from combat in Iraq, there is still a lot of uncertainty in the middle east.

It is too important and there is too much instability in the world. We need to pass an energy policy now.

Mr. President, Congress has been playing political football with the issue for the past few years. I think it's time to end the game.

Our Nation and our National security continue to be at stake.

We must strengthen our energy independence to protect ourselves from any dangerous and unpredictable events in the middle east.

We don't want the United States beholden to other countries just to keep our engines running and lights turned on.

While I am disappointed that ANWR is not in the bill before us, the bill does provide a good starting point to help our Nation increase domestic production of energy and reduce our reliance on foreign sources.

It also provides important conservation provisions which will help protect the environment.

I am also glad that the Senate's energy bill contains the clean coal provisions I wrote to help increase domestic production while also improving environmental protection.

For my home State, this means more jobs and a cleaner place to live.

Clean coal technologies will result in a significant reduction of emissions and a sharp increase in efficiency of turning coal into electricity.

I'm proud to come from a coal state. For generations Kentuckians from Pike county in the east to Crittenden county in the west have made their living in the coal fields and coal mines.

For the last decade coal in Kentucky was on the downturn because of legislative and regulatory policies from the Federal Government.

Now I am glad to see that we have turned that around and are taking steps to make sure that coal continues to play a vital role in meeting our future energy needs.

This focus on clean coal is good for the environment. And it is certainly good for the economy and for putting folks back on the job.

The energy bill encourages research and development of clean coal technology by authorizing nearly \$2.6 billion in appropriations for the D.O.E. to conduct programs to advance new technology.

Almost \$2 billion will be used for the clean coal power initiative where D.O.E. will work with industry to advance efficiency, environmental performance, and cost competitiveness of new clean coal technologies.

The proposed energy tax package includes nearly \$2 billion in tax credits